3510-DS-P

#### **DEPARTMENT OF COMMERCE**

#### **International Trade Administration**

[A-570-985]

Xanthan Gum from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2018-2019

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) determines that Meihua Group International Trading (Hong Kong) Limited, Langfang Meihua Biotechnology Co., Ltd., and Xinjiang Meihua Amino Acid Co., Ltd. (collectively, Meihua) did not make sales of subject merchandise below normal value during the period of review (POR) July 1, 2018, through June 30, 2019.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Abdul Alnoor or Aleks Nakutis, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4554 or (202) 482-3147, respectively.

### **SUPPLEMENTARY INFORMATION:**

### **Background**

After Commerce published the *Preliminary Results* on November 23, 2020,<sup>1</sup> interested parties commented on those results. For details regarding the events that occurred subsequent to the *Preliminary Results*, *see* the Issues and Decision Memorandum.<sup>2</sup> Commerce conducted this

<sup>&</sup>lt;sup>1</sup> See Xanthan Gum from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review, and Partial Rescission; 2018-2019, 85 FR 74686 (November 23, 2020) (Preliminary Results), and accompanying Preliminary Decision Memorandum.

<sup>&</sup>lt;sup>2</sup> See Memorandum, "Issue and Decision Memorandum for the Final Results of the Antidumping Duty Administrative Review: Xanthan Gum from the People's Republic of China; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

# Scope of the Order

The scope of the order covers dry xanthan gum, whether or not coated or blended with other products. Further, xanthan gum is included in this order regardless of physical form, including, but not limited to, solutions, slurries, dry powders of any particle size, or unground fiber. Merchandise covered by the scope of this order is classified in the Harmonized Tariff Schedule of the United States at subheading 3913.90.20. Although this tariff classification is provided for convenience and customs purposes, the written description of the scope is dispositive.<sup>3</sup>

# **Analysis of Comments Received**

We addressed all issues raised in the case and rebuttal briefs submitted by parties in this review in the Issues and Decision Memorandum. A list of the issues addressed in the Issues and Decision Memorandum is provided in the appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <a href="http://access.trade.gov">http://access.trade.gov</a>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>.

# Changes Since the *Preliminary Results*

Other than revising certain customer/importer names in the liquidation instructions for Meihua, we made no changes since the *Preliminary Results*.

# Separate Rates

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<sup>&</sup>lt;sup>3</sup> For the full text of the scope of the order, *see* Issues and Decision Memorandum.

In the *Preliminary Results*, Commerce found that Meihua and CP Kelco (Shandong)
Biological Company Limited (CP Kelco (Shandong)) demonstrated their eligibility for a separate rate.<sup>4</sup> No parties commented on, nor did we receive information that contradicts, this preliminary determination. Thus, for the final results of review, we continued to grant Meihua and CP Kelco (Shandong) separate rate status.

Dumping Margin for Non-Individually Examined Respondents Granted Separate Rate Status

The statute and Commerce's regulations do not address the rate to apply to respondents not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for non-selected respondents that are not individually examined in an administrative review. Section 735(c)(5)(A) of the Act states that the all-others rate should be calculated by averaging the weighted-average dumping margins determined for individually-examined respondents, excluding dumping margins that are zero, *de minimis*, or based entirely on facts available. When the dumping margins for individually examined companies are all zero, *de minimis*, or based entirely on facts available, section 735(c)(5)(B) of the Act provides that Commerce may use "any reasonable method" to establish the all others rate. Consistent with the *Preliminary Results*, because the dumping margin for the sole mandatory respondent, Meihua, is zero percent, we assigned a zero percent dumping margin to CP Kelco (Shandong).

# Final Results of Administrative Review

We are assigning the following dumping margins to the firms listed below for the period July 1, 2018, through June 30, 2019:

Exporter	Weighted-Average Dumping Margin (percent)
Meihua Group International Trading (Hong Kong) Limited/ Langfang	0.00
Meihua Biotechnology Co., Ltd./ Xinjiang Meihua Amino Acid Co., Ltd.	0.00
<sup>4</sup> See Preliminary Results, 85 FR at 74686.	

Review-Specific Rate Applicable to the Following Company:	
CP Kelco (Shandong) Biological Company Limited	0.00

We intend to disclose to parties the calculations performed in this review within five days of the date of publication of this notice, in accordance with 19 CFR 351.224(b).

#### Assessment Rates

Pursuant to section 751(a)(2)(A) of the Act and 19 CFR 351.212(b), Commerce has determined, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with the final results of this review. Consistent with its recent notice,<sup>5</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication). Because the dumping margins for Meihua and CP Kelco (Shandong) are zero, Commerce will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.<sup>6</sup>

For entries that were not reported in Meihua's U.S. sales database, but the entries were made under Meihua's case number (*i.e.*, entered at Meihua's cash deposit rate), Commerce will instruct CBP to liquidate such entries at the China-wide rate (*i.e.*, 154.07 percent) (*see* "China-Wide Entity" section below).

#### China-Wide Entity

Commerce's policy regarding the conditional review of the China-wide entity applies to this administrative review.<sup>7</sup> Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because

<sup>&</sup>lt;sup>5</sup> See Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings, 86 FR 3995 (January 15, 2021).

<sup>&</sup>lt;sup>6</sup> See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101, 8103 (February 14, 2012).

<sup>&</sup>lt;sup>7</sup> See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963 (November 4, 2013).

no party requested a review of the China-wide entity, we did not review the entity in this segment of the proceeding. Thus, the China-wide entity's rate (*i.e.*, 154.07 percent) did not change.

# Cash Deposit Requirements

The following cash deposit requirements will be effective for shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of this notice in the *Federal Register*, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed in the table above, the cash deposit rate will be the rate listed for the exporter in the table; (2) for previously investigated or reviewed China and non-China exporters not listed in the table above that have separate rates, the cash deposit rate will continue to be the existing exporter-specific rate published for the most recent period; (3) for all China exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate previously established for the China-wide entity, which is 154.07 percent; and (4) for all non-China exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the China exporter that supplied that non-China exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

## Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

# Notification Regarding Administrative Protective Order (APO)

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in

accordance with 19 CFR 351.305, which continues to govern business proprietary information in

this segment of the proceeding. Timely written notification of the return or destruction of APO

materials, or conversion to judicial protective order, is hereby requested. Failure to comply with

the regulations and terms of an APO is a violation which is subject to sanction.

Notification to Interested Parties

We are issuing these final results of administrative review and publishing this notice in

accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: March 22, 2021.

Christian Marsh,

Acting Assistant Secretary for Enforcement and Compliance.

## **Appendix**

## List of Sections in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Discussion of Issues
  - Comment 1: Whether Commerce Should Have Granted C.P. Kelco Voluntary

Respondent Status

- Comment 2: Whether Commerce Should Revise its Draft Liquidation Instructions
- Comment 3: Whether Commerce Should Continue to Deduct Section 301 Duties from

U.S. Sales Prices

V. Recommendation

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